

*Bill Requires 75% of Each Good Purchased by Federal Government to be Made in America*

*Washington, DC* -- Congressman Maurice Hinchey (D-NY) today introduced the Buy American Enhancement Act which would require that at least 75 percent of each good or material purchased by the federal government be made in America. Current practice only provides for a 50 percent content requirement. Hinchey outlined the legislation last week at VMR Electronics, a small manufacturer in Binghamton, New York that would benefit if the bill were to become law.

"It's a basic principle: American tax dollars should not be spent to create jobs in Beijing when they can be spent to create jobs right here in America," said Hinchey. "When the federal government wants to buy an airplane, current law requires that only 50 percent of the components in that airplane need to be made in America. The bill I'm introducing would bump up that requirement so that at least 75 percent of the components are made in America. This bill requires transparency, so that American companies know when a federal agency is having trouble finding a domestic manufacturer, and also closes a major loophole that allows Federal Agencies to get around Buy American requirements by using indirect contracts."

Hinchey's bill would create a new disclosure provision to help American-based businesses understand when federal agencies are having trouble locating products that meet Buy American Act standards. Current law allows federal agencies to apply for an exemption when a needed product is not already manufactured in America. Hinchey's bill would require that federal agencies publicly disclose through their websites when they apply for these exemptions, allowing American companies to come forward with the desired products. The Department of Transportation already does this.

Hinchey's legislation would also close a major loophole that allows federal agencies to get around current Buy American laws by using indirect contracts. The congressman had success with a similar provision, which was signed into law earlier this year. It closed the loophole for solar energy contracts signed by the Department of Defense, requiring companies subcontracting for the department of defense to use American-made solar panels. The Buy American Enhancement Act would expand on this provision by closing the loophole across all technologies and federal agencies.

Hinchey also said the United States must fundamentally reassess its trade policy in order to

level the playing field for domestic manufacturers. The congressman is continuing to push for a renegotiation of unfair trade deals that force American workers to compete against low wages and poor environmental standards in lesser developed countries. He is also calling for the United States to impose trade penalties on China until it ends the currency manipulation that puts American-made goods at a disadvantage.

Hinchey has opposed unfair trade deals like the North American Free Trade Agreement (NAFTA) and the Central American Free Trade Agreement (CAFTA) because they cause the exportation of U.S. jobs out of the country. He is a cosponsor of the Trade Reform, Accountability, Development and Employment Act (TRADE Act), which would require a comprehensive review of major trade agreements on the books, ensure that environmental labor and human rights standards are addressed in future agreements, and give Congress the authority it needs to assert its proper constitutional role in the trade negotiating process by significantly limiting future fast-track authority.

In the previous session of Congress, Hinchey worked to pass the Currency Reform for Fair Trade Act (H.R. 2378), which would allow the president to retaliate against China's fundamentally undervalued currency by imposing tariffs to level the playing field. The legislation died in the U.S. Senate.